



## **DEPARTMENT OF AGRICULTURE**

### **Rural Business-Cooperative Service**

**[Docket # RBS-21-BUSINESS-0026]**

### **Notice of Funding Opportunity for the Biofuel Producer Program for Fiscal Year 2021; Amendment**

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice; amendment.

**SUMMARY:** The Rural Business-Cooperative Service (RBCS or Agency), an agency of the United States Department of Agriculture (USDA), published a Notice of Funding Opportunity (NOFO) in the Federal Register on December 13, 2021, entitled Notice of Funding Opportunity for the Biofuel Producer Program for Fiscal Year 2021, to announce the application window, application requirements and the availability of up to \$700 million in payments to eligible biofuel producers for unexpected market losses as a result of COVID-19 in order to maintain a viable and significant biofuels market for agricultural producers that supply biofuel producers. This notice will amend Sections A, D and E of the NOFO to include production to meet marketing obligations or fulfill or maintain essential markets in the calculations of a biofuel producer's market losses as a result of COVID-19.

**DATES:** Applications for the Biofuel Producer Program must be received by 11:59 p.m. EST on February 11, 2022.

**FOR FURTHER INFORMATION CONTACT:** Lisa Noty, USDA Rural Development, Rural Business-Cooperative Service. Telephone: (712) 254-4366, email: [lisa.noty@usda.gov](mailto:lisa.noty@usda.gov). Persons with disabilities that require alternative means for communication should contact the U.S. Department of Agriculture (USDA) Target Center at (202) 720-2600 (voice).

## **SUPPLEMENTARY INFORMATION:**

### **Amendments**

In FR Doc 2021-26876 of December 13, 2021 (86 FR 70818), the following amendments are being made to include production to meet marketing obligations or fulfill or maintain essential markets in the calculations of a biofuel producer's market losses as a result of COVID-19.

1. On page 70818, column 2, under Section A. "Program Description," subsection 1. "Purpose of the program," the first paragraph should be amended to read as follows:

The Biofuel Producer Program will make payments to eligible producers of eligible biofuel for unexpected market losses as a result of COVID-19. These payments to biofuel producers support the maintenance and viability of a significant market for agricultural producers of products such as corn, soybean or biomass that supply biofuel production. Payment to a biofuel producer will be based upon the volume of market loss the biofuel producer experienced in calendar year 2020. The producer's volume of market loss will be calculated by comparing the amount of fuel (gallons of eligible biofuel) they produced in calendar year 2020 to the amount of fuel (gallons of eligible biofuel) produced in calendar year 2019. Eligible biofuel (gallons of biofuel) produced by the eligible producer in 2020 to meet required contractual commitments, marketing obligations, or fulfill or maintain essential markets, resulting in a gross profit loss will be deducted from 2020 production by the Agency's calculation of program payments. Gross profit loss related to required production can be based on either the entire 2020 year, or a period in 2020 specified by the applicant. Quantities of gaseous biofuel will be converted into gallons based on the British Thermal Unit (BTU) equivalent of one gallon of biodiesel using factors published by the Energy Information Administration (EIA).

2. On page 70818, column 3, under Section A. “Program Description,” subsection 3. “Definitions,” a definition for essential market should be added in alphabetical order as follows:

*Essential market* means markets for biofuel, co-products, and byproducts where there are limited alternative replacement buyers and a biofuel producer’s failure to maintain supply has the potential to result in current buyers moving to other suppliers. Essential markets also include critical supply markets to the buyer and local and regional markets are dependent on the supply of products provided by the biofuel producer. Limited alternative near-term supply markets exist and the loss of supply has the potential to have an adverse impact on buyers’ viability.

3. On page 70820, column 1, under Section D “Application Submission Information,” subsection 4.i.g. “Contracts and Financial Information,” the heading and subsection should be amended to read as follows:

g. Contracts, Evidence of Market Obligations, or Evidence of Fulfilling Essential Markets, and Financial Information. Include copies of contracts, description, and documentation of marketing obligations or essential markets, as appropriate, and financial statements and supporting documentation for payment requests that include production in 2020 that was required to meet contractual commitments, marketing obligations, or fulfill or maintain essential markets, and resulted in a gross profit loss. The financial information submitted must be sufficient to support the gross profit loss for the period of the related production. For example, if an applicant is requesting assistance for required production for April and May 2020 that resulted in a gross profit loss, the related financial information must be in sufficient detail to demonstrate the gross profit loss for such period.

4. On page 70821, column 1, under section E. “Application Review Information,” subsection 3.i.c. should be amended to read as follows:

c. Amount of eligible biofuel (gallons of biofuel) reported under (b), above, produced by the eligible producer in 2020 to meet required contractual commitments, marketing obligations, or fulfill or maintain essential markets, resulting in a gross profit loss.

**Karama Neal,**  
Administrator,  
Rural Business-Cooperative Service.

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